BOARD BASICS

THE FUNDAMENTALS

TRUSTEE RESPONSIBILITIES

A Guide for Governing Boards of Public Institutions

BY RICHARD T. INGRAM

ASSOCIATION OF GOVERNING BOARDS OF UNIVERSITIES AND COLLEGES

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The *Board Basics Series* is intended to strengthen the effectiveness of governing boards and trustees by providing information about board roles and responsibilities. This series of publications is intended to inform debate and discussion, not to represent or imply endorsement by the association or its members. Additional copies are available by calling the AGB Publications Department at 800/356-6317.

TRUSTEE RESPONSIBILITIES

Trustees who serve public colleges and universities fulfill their considerable responsibilities in one of the most complex political, economic, and social environments in the 350-year history of American higher education. The obligations of trusteeship grow increasingly complex and significant. Consider these propositions:

- Citizen trusteeship is undergoing the most stringent test of its viability and fitness since the turbulent 1960s (the Vietnam era) and 1970s (a major economic recession).
- Trustees and chief executives must think and act more strategically to anticipate and resolve changes in trends that affect higher education: Shifting student demographics, unforeseeable changes brought about by information technology, and mounting pressure for more cost effectiveness, productivity, and quality are just a few.
- Board members must heighten their understanding of their institution's academic programs to help strengthen its core functions—teaching and learning.
- Board members are among their community's most influential citizens, and they should be prepared to become stronger advocates for their institutions and all of higher education, in balance with their responsibility to represent and serve the public trust.
- Boards must more resolutely pursue their commitment to regular, informal self-study to ensure they attain the highest standards of performance.

MOST GOVERNING BOARDS EXERCISE THEIR AUTHORITY JUDICIOUSLY AND CAUTIOUSLY AS THEY STRIVE TO BALANCE COMPETING PRIORITIES AND CONCERNS.

These emerging realities complicate an already difficult charge: The governing board is its institution's legal owner and final authority. It holds the institution's financial, physical, and human assets and operations in trust for future generations. It decides who should benefit from those assets, how, why, and when.

Trustees, as individuals, have no legal authority, nor are they entitled to special privileges. Rather, their authority and fiduciary responsibilities arise exclusively from their participation with others when a governing board officially is convened. And yet much is expected of trustees between board meetings. This is one of the many ambiguities that accompany academic trusteeship.

Most governing boards exercise their authority judiciously and cautiously as they strive to balance competing—and often conflicting—priorities and concerns. Effective boards

- exert authority while exhibiting restraint,
- make decisions after being assured that affected groups have been consulted,
- are advocates for institutional needs and interpret what best serves the larger public good,
- accept their legitimate accountability to elected leaders while guarding against inappropriate intrusion,
- have members who help to build consensus on complex issues while respecting different points of view,
- think and act strategically,
- know when to lead and when to follow, and
- are loving critics of their academic leaders.

The Unique Context of Public Institutions

Service on public college, university, or system boards is challenging. Public colleges and universities have become larger and more complex than most independent institutions. Their number has grown explosively since 1940 (particularly multicampus systems and community colleges). Their boards are scrutinized more intensely. And special-interest groups of all persuasions assert their demands.

Public colleges and universities enroll more students and are governed by smaller boards than independent institutions. According to data gathered in the mid-1990s, more than 15 million students are enrolled full-time or part-time in public higher education institutions—the vast majority at institutions in multicampus systems that do not have their own governing boards. Of the 50,000 trustees and regents in the United States, fewer than 10,000 govern public institutions. Simply put, a small number of public institution trustees, perhaps too few trustees on too few governing boards, make decisions that affect millions of students. Each individual trustee, therefore, is critically important to his or her institution, given the enormity and consequence of public higher education to the nation's future.

Public trustees serve colleges and universities that are "owned" by citizens (not government bodies or officials); they are responsible for acting on behalf of the public as their individual consciences and judgment dictate. The citizen board—regardless of whether its members are appointed or elected—has emerged as the best alternative to governmental control of higher education. Public institution trustees stand at the center of a system of checks and balances that permits them to delegate their authority—but not responsibility—to chief executives, faculty, and students.

In doing so, trustees need to reconsider nearly all conventional wisdom about public higher education, including how its essential mission must be protected. Further, they must consider how public higher education should be financed in an era characterized by limited resources, competing social needs, and political agendas that often seem capricious.

Trustees should understand three important values and traditions within the academy: academic freedom, institutional independence, and consultation with affected parties in institutional decision making. It ultimately is the responsibility of the trustees, with the help of their chief executive and other academic leaders, to define each value or tradition as it applies to their institution in contemporary society.

ALL DECISIONS AND ACTIONS TAKEN BY GOVERNING BOARDS SHOULD REFLECT WHAT THE INSTITUTION OR SYSTEM IS AND STRIVES TO BE.

Public institution trustees must follow the letter and spirit of open-meeting laws, even though doing so occasionally impedes conscientious governance. The chief executive and trustees must protect the institution or system from those who would misuse information to harm it. Consequently, it is not always possible to say all that should be said in public meetings. However, open-meeting laws never should be used as an excuse to avoid difficult questions, refrain from candid conversations on issues of the day, or for grandstanding and speechmaking.

Public institution governing boards often include student and faculty trustees, appointments that can be inconsistent with a basic principle of effective governance: All board members should be expected to meet the same expectations to fulfill their fiduciary and other responsibilities. They should not be selected to "represent" special interests, nor should they view themselves as doing so. Boards and administrations should seek to educate governors and legislators about the harm that public higher education will suffer if boards reflect political partisanship or are made to be "representational" in their composition.

This publication serves as general guide for new and seasoned board members as they meet these expectations, respond to the ambiguities inherent in academic trusteeship, and fulfill their multiple fiduciary, moral, and ethical responsibilities. It distinguishes between board and individual trustee functions and offers a number of illustrative questions that underscore good practice.

The Board's Responsibilities

Set and clarify mission and purpose. All decisions and actions taken by governing boards should reflect what the institution or system is and strives to be. An institution's mission statement should be a succinct and clear description of its broad purpose, its distinctiveness, and whom it primarily serves. It should be a practical guide for everyone who has a role in decision making, not a lofty, unattainable amalgam of platitudes.

Setting institutional missions for single institutions and distinguishing among missions for campuses in systems are especially important. Board members should have a strong sense of ownership for the missions of their institutions, even as these missions evolve and are influenced by others.

Questions to Consider

- Is each trustee familiar with the institution's statement of mission and purposes?
- Is the institution what it declares itself to be?
- What makes this institution distinctive among the state's other public colleges and universities?
- Does the mission statement clearly convey the institution's purpose, distinctiveness, and merit to prospective students, tuition-paying parents, government officials, and taxpayers?

Appoint the president or chancellor. This is the board's paramount responsibility. The board has crucial role in providing an environment that attracts and keeps an effective leader. No board decision is likely to have greater impact on the institution or system than selecting the chief executive, nor is any decision likely to be more political, consequential, or a greater test of the board's effectiveness. This responsibility is equally significant for selecting campus leaders within systems, although the system's board usually is less involved.

Selecting an effective president is difficult: The average tenure of public college and university presidents is about six years, according to AGB research. As the position becomes more political and less focused on academic leadership, able internal candidates often are reluctant to pursue

the presidency. Unreasonable open-meeting laws in some states compromise confidentiality, causing qualified candidates to shun the search process. The board should consult widely with leaders of campus stakeholders, but it ultimately is responsible for the final decision.

In the coming years, greater numbers of boards may consider the benefits of succession planning. This strategy (much more common in the corporate world) is difficult to practice in academe. Its infrequency reflects the political nature of leading and managing colleges and universities.

Questions to Consider

- Does the board have a clear sense of the institution's assets, needs, and strategic priorities before it undertakes a search for a new leader? Are the board's expectations and priorities clearly explained to final candidates?
- If a record of the previous search exists, what lessons can the board learn from it? If it does not, what should the board do to ensure the current search is properly documented?
- Does the board have standard policies and procedures to guide the presidential search process?
- Does succession planning offer potential value to the institution or system?

SUPPORT THE CHIEF EXECUTIVE. Given the substantial time, effort, financial resources, and luck required to find an effective leader, board members should be especially mindful of their responsibility to support a chief executive. Capable leadership never should be taken for granted.

Board members should support a chief executive particularly when he or she must make difficult—but appropriate—decisions that displease critics or constituents. This practice should not suppress critique, however; capable and confident presidents benefit from candid and informed suggestions from board members. But public criticism is always harmful (and can presage trouble) even when it is followed by private apology.

BOARD MEMBERS SHOULD SUPPORT A CHIEF EXECUTIVE PARTICULARLY WHEN HE OR SHE MUST MAKE DIFFICULT—BUT APPROPRIATE—DECISIONS THAT DISPLEASE CRITICS OR CONSTITUENTS.

Board members also can demonstrate their support by attending meetings faithfully and being prepared to participate, making personal gifts to the institution's foundation and persuading others to do so, showing interest in the issues and opportunities that preoccupy the president, and acknowledging accomplishments and progress.

A chief executive's performance can be little better than that of his or her board—and vice versa. Board support of the president is most evident when both parties understand their unique partnership and carry out their complementary roles with mutual respect, trust, and open communication. Both the president and the board should strive to be reasonable, consistent and predictable. The only place a chief executive can look to for consistent support is the governing board.

Questions to Consider

- Was there a recent issue that caused the president to be on the hot seat? What was the board's response? How was the issue resolved?
- Does the board encourage or discourage the president from publicly addressing current higher education issues (even those that might be controversial) or other social and ethical questions of the day?
- How has the board demonstrated its appreciation of the president? Of the contributions made by the president's spouse?
- If the president has served a sufficient length of time, should the board encourage him or her to take a sabbatical to recharge?

MONITOR THE CHIEF EXECUTIVE'S PERFORMANCE. This responsibility is among a board's most important, yet many boards procrastinate or neglect to carry it out because it also is among the most difficult. Done poorly, a formal and comprehensive review can result in more harm than good; done well, it can be enormously helpful to the president and the board. Trustees should remember that a formal review process ought to be designed and carried out *to help the incumbent strengthen his or her performance*. Boards should take care to uphold the integrity of the chief executive by maintaining strict confidentiality or, if the system's or university's constituents are to be involved selectively, conveying the positive purpose of the review and their strong support of his or her leadership.

DONE POORLY, A FORMAL AND COMPREHENSIVE REVIEW CAN RESULT IN MORE HARM THAN GOOD; DONE WELL, IT CAN BE ENORMOUSLY HELPFUL TO THE PRESIDENT AND THE BOARD.

An annual review thoughtfully conducted by an existing standing or ad-hoc committee can act as a "reality check," provide data to help the board make compensation decisions, and encourage the president and board to identify annual goals and priorities.

Because other campus constituents in addition to board members often are involved in formal assessments of chief executives every three to five years, a third-party facilitator can bring objectivity and professionalism to this sensitive task. Such a consultant can examine the performance of the chief executive in the context of the institution's governance structure and can offer recommendations that may affect the board's performance, policies, and practices.

Questions to Consider

- How does the board currently review the president's performance? Who participates and how?
- Does the board ask the chief executive to provide an annual statement of major goals and objectives as well as a report of his or her achievements (and frustrations) compared with goal statements from the preceding year?
- Has the board reviewed its own performance? How did it do so, and what were the results?

ASSESS BOARD PERFORMANCE. According to AGB research, only one-third of public boards conduct a formal self-study. If board members accept their responsibility to assess the chief executive, they also must accept responsibility to assess their own performance. *The performance of the president and board are interdependent.*

Board members can overcome the natural hesitancy to engage in self-assessment by adhering to three principles: (1) The most useful self-studies are conducted when things are going well, not during crisis; (2) a board's willingness to conduct such an assessment signals strength to the academic community, not weakness; and (3) many serendipitous benefits can accrue to the board, president, and institution.

As is the case with presidential assessment, an objective third party can bring greater credibility, heightened professionalism and fresh insight to the process. Such an assessment can reinvigorate the entire board, enable individual trustees to become better acquainted, and raise issues that typically do not surface during regular meetings. It also is one of the most effective forms of trustee orientation.

Questions to Consider

- When did the board last assess its own performance? What improvements did the board make as a result?
- If this responsibility is being overlooked or unreasonably postponed, what are the reasons, and how might they be overcome?
- How can a self-assessment be incorporated into a trustee-orientation session?

INSIST ON STRATEGIC PLANNING. Board members should insist on sound, long-term planning, participate willingly and appropriately in the planning process, evaluate the quality of the process and its results, and ask good questions along the way. The board should not *conduct* the planning; it should delegate this responsibility to the chief executive, senior administrators, and faculty leaders.

Strategic planning is particularly important in times of financial hardship when boards must make difficult financial-allocation decisions among competing priorities. A sound strategic plan will guide board members, the chief executive, and other campus leaders toward common goals and lessen the need to make hasty, crisis-driven decisions.

Questions to Consider

- When was the last strategic-planning process conducted, and what can the board learn from it?
- What campus groups participated? How can able and interested trustees contribute?
- Does the board receive periodic reports to monitor the institution's progress toward goals?
- How are the trustees engaged with administration and faculty leaders on issues that affect the institution's future?
- How can standing or ad-hoc committees contribute to the planning process?

REVIEW EDUCATIONAL AND PUBLIC-SERVICE PROGRAMS. Until recently, public institution governing boards attended primarily to fiscal, physical plant, and political matters. This emphasis has changed considerably to include oversight of academic matters, public-service programs, and research for those institutions so focused. With these new areas of emphasis comes ambiguity for all—trustees, chief executives, and senior administrators. Board members must find the middle ground between policy oversight and policy implementation. Micromanagement is as irresponsible as neglect and inattention.

However, board members should guard against imposing their judgment on issues best left to those who are more informed and qualified. Key is for each trustee to become informed of the goals, objectives, strengths, and needs of major academic programs and services. In addition to routine presentations from the chief executive and senior administrators, board members may be informed by reports of accrediting agencies or outside experts periodically retained at the chief executive's behest. Comparative data from similar institutions or systems also can be illuminating.

BOARD MEMBERS MUST FIND THE MIDDLE GROUND BETWEEN POLICY OVERSIGHT AND POLICY IMPLEMENTATION. MICROMANAGEMENT IS AS IRRESPONSIBLE AS NEGLECT AND INATTENTION.

Questions to Consider

- Are the institution's or system's educational programs consistent with its mission? Does the budget support academic programs, public-service efforts, and research priorities?
- For systems, which institutions offer the strongest programs in a certain field? Which offer the weakest, and why? How does the institution or system evaluate its academic programs?
- Does the board have a plan to readjust spending priorities when resources fall short of budget requests? For enhancing academic programs in the more rare cases when resources exceed budget requests?
- How is information technology used to enhance teaching and learning?

FINANCING PUBLIC HIGHER EDUCATION WILL CONTINUE TO BE THE SUBJECT OF PUBLIC-POLICY DEBATE FOR THE FORESEEABLE FUTURE, AND TRUSTEES SHOULD UNDERSTAND HOW THE DEBATE WILL AFFECT THEIR INSTITUTION.

ENSURE ADEQUATE RESOURCES. There never is enough money, especially in public higher education. Consequently, board members must be effective advocates for their institutions with political leaders, especially in explaining and defending budgets through the appropriations process. One objective should prevail: Board members must do their best to ensure their institution or system is financed adequately to meet its mission and public responsibilities. There is no room for ambiguity or passivity on this matter.

Additionally, public institution governing board members must balance the complex and intertwined issues of affordability and access. Financing public higher education will continue to be the subject of public-policy debate for the foreseeable future, and trustees should understand how the debate will affect higher education and their institution or system.

Budget shortfalls must be covered by philanthropic gifts and grants from individuals, corporations, and foundations. These sources have become increasingly important for public institutions in the last decade, and nearly all public institutions have established separately organized foundation boards to raise, account for, and oversee private resources. Even so, governing board members remain responsible for giving and persuading others to give.

Questions to Consider

- Does the board review annual budget requests? Are the reviews based on the institution's mission and purpose?
- Are all board members prepared to advocate on behalf of their institution or system with elected leaders? Are certain board members designated to help the chief executive testify before state legislatures and city councils?
- Does the board have written guidelines to define its working agreement with the institution's foundation?
- Is individual giving increasing? Is it proportionate to each trustee's means? If not, what steps can board leaders take to improve the picture?
- Do board members regularly see reports on *the board's* aggregate of unrestricted and restricted gifts and grants? Are those amounts compared with giving for the same period from the preceding fiscal year?

ENSURE GOOD MANAGEMENT. To fully carry out their fiduciary responsibilities, board members must monitor all aspects of their institution's financial condition and management, including its auditing processes, debt-financing arrangements, deferred-maintenance needs, staffing structures, compensation policies and practices, construction and renovation priorities, and fund-raising (or spending) priorities of its foundation. To do so, the board must trust explicitly the chief executive and his or her senior staff.

Additionally, trustees should insist administrators demystify financial reports by rendering them in understandable formats. They should ask for help in comprehending financial statements, and they periodically should ask outside experts to review key management functions. They also should ask senior administrators to gather comparative data from peer institutions or systems, especially on issues that affect the institution's competitive posture, academic standing, or cost structures.

Further, governing boards should consider human-resources issues, and periodically review and adjust policies and procedures for grievance processes, performance review, tenure, and hiring, promotion, and termination.

Questions to Consider

- Do all board members acknowledge the distinction between ensuring or overseeing good management and actually managing the institution? If not, what steps should board leadership take to clarify appropriate roles and responsibilities?

- How does the board define effective management? Are the criteria, strategic indicators, or benchmarks shared by the chief executive?
- Do all board members regularly receive the information they need to monitor the institution? Is information presented in useful formats?
- Does the board review personnel policies and practices regularly?

BOARDS SERVE AS BRIDGES BETWEEN CAMPUS AND COMMUNITY AND THUS ARE CALLED ON TO EXPLAIN, DEFEND, INTERPRET, PROMOTE, OR ADVOCATE ON BEHALF OF THEIR INSTITUTION.

PRESERVE INSTITUTIONAL INDEPENDENCE. Public institutions and boards do not operate with the same degree of autonomy as independent colleges and universities, but they *do* need to be free from unreasonable intrusion, especially from government or elected officials. Boards traditionally have served as "buffers" that shield their institutions from unwarranted interference. Many public institutions retain a measure of independence because trustees have excellent records of defending the academy when necessary. But governing boards also must maintain the trust of public officials who are responsible for interpreting the needs of citizens who pay the bills and expect a reasonable return on their investment.

While trusteeship, again, is a balancing act, effective boards are willing to staunchly defend academic freedom and institutional independence when necessary.

Questions to Consider

- Is the board familiar with the standards and methodologies of the regional association that accredits its institution?
- Are board members aware of federal and state public-policy issues and how they affect their institution or system?
- Is the board prepared and willing to defend the institution when necessary and to support the chief executive when he or she makes politically unpopular but appropriate decisions?

RELATE CAMPUS TO COMMUNITY AND COMMUNITY TO CAMPUS. Boards serve as bridges between campus and community and thus are called on to explain, defend, interpret, promote, or advocate on behalf of their institution. They also are called on to represent the broad public interest in the institution. Trustees who see themselves as representatives of a specific group or advocates of a single issue harm the institution or system. All members of governing boards have an ethical and moral responsibility to serve all citizens of the state.

Additionally, trustees can be catalysts for change when they encourage the institutional community to recognize the need to accommodate change or fresh perspectives proposed by external groups. In a dramatically changing society, trustees must keep one eye on the past by preserving the best academic traditions and one eye on the future by encouraging academic leaders to adjust to societal needs in their teaching, research, and public service.

Questions to Consider

- Do board members have a good record of representing the institution? If not, what can board leaders do to better prepare individual trustees to serve as ambassadors?
- Do board members encourage the campus community to listen to its critics, acknowledge the need for accommodating change, and incorporate sensible improvements?
- How can trustees better understand and respond to the public's concerns about the institution?

SERVE AS A COURT OF APPEAL. Governing boards hold the middle ground between the judicial system and the internal due-process policies and procedures of the institution or system they serve. The board may be called to serve as a court of appeal on certain matters, usually involving personnel, but it should do so only under carefully considered circumstances.

Some general principles can help boards navigate this minefield: (1) Respect the judgment and opinion of those who have more expertise on academic personnel matters; (2) handle personnel matters at the lowest possible administrative level; (3) limit board review to the issue of whether institutional policies and procedures were met in letter and spirit; (4) make sure due-process and appeal policies are appropriate and fair; and (5) specify in policy the processes for gaining access to the board's appeal function. In all of this, boards should insist on effective risk-management practices.

Questions to Consider

- When were the institution's due-process policies and procedures last reviewed by legal counsel and board leaders?
- What is the institution's record in handling lawsuits? In recent years, what types of lawsuits were brought most frequently against the institution, and how were they resolved?
- Does the institution employ good risk-management practices—especially in the education of those with hiring and firing authority?
- Does the board periodically review the legal issues affecting the institution?

THE INDIVIDUAL TRUSTEE'S RESPONSIBILITIES

Only the governing board has legal standing; individual trustees and regents possess no authority or special prerogatives. Boards find it useful to adopt formal statements of responsibility to clarify some basic expectations their members should have for one another.

Trustees are judged by their peers and others largely on their willingness to be team players and knowing when to lead and when to follow. Trustees are held to high standards of conduct. Here are some guidelines:

TRUSTEES ARE JUDGED BY THEIR PEERS AND OTHERS LARGELY ON THEIR WILLINGNESS TO BE TEAM PLAYERS AND KNOWING WHEN TO LEAD AND WHEN TO FOLLOW.

- Serve the institution or system as a whole. Individual trustees have a responsibility to support the majority action, even when they disagree.
- Seek opportunities to inform the public about the institution.
- Prepare for and attend meetings.
- Learn about the institution or system and ask good questions.
- Avoid conflicts of interest, real or perceived, because of affiliations or the temptation to request personal favors for oneself, family, or friends. Individual trustees must protect the integrity of the board and institution at all times through disclosure and by deciding whether their trusteeship may be of lesser or greater value than an opportunity to gain financially.
- Avoid the appearance of using their trusteeship for personal or political gain.

- Guard against being the subject of an "ambush interview," especially during times of controversy. Speaking for the board or institution ordinarily is reserved for the chief executive or board chair.
- Abstain from making judgments based on information from disgruntled faculty, staff, or state officials.

Mutual Expectations of Board Members and Chief Executives

Trustees ask their chief executives to do the following:

- provide data and information that is comprehensive, accurate, and useful;
- respect the board's fiduciary and other responsibilities to hold the institution or system accountable to the general public;
- be an academic leader, adept politician, and effective fund-raiser by consulting as much as practical and appropriate with constituents;
- accept with patience, grace, and style differences of opinion and the occasional disagreement with the board's posture on important issues;
- avoid surprises—trustees want and need to be the first to know;
- use the board's time efficiently, especially in meetings; and
- work closely with the board chair to educate and lead the board.

The chief executive asks board members to do the following:

- think and act on behalf of the best interests of the institution or system, first and foremost;
- be open and forthright, fair and evenhanded;
- respect the important principle that the chief executive works only for the board as a whole;
- avoid surprises, especially by avoiding public utterances;
- avoid using open meetings or press interviews to gain personal media attention;
- aspire to be board chair, but don't push too hard;
- maintain confidentiality;
- set an example in personal philanthropy; and
- have a sense of humor.

The Commitment of Trusteeship

To be invited to serve on a board of trustees is one of the highest honors in our society. Such an invitation indicates that the individual has made a significant contribution to his or her community, has made noteworthy achievements in the service of society, and is capable of making equally important contributions to the institution and to higher education.

Trusteeship is exciting, rewarding, and demanding; it requires commitment, time, intellectual energy, and effort. Such a calling is not for everyone. What should a potential trustee consider when deciding to accept an invitation to serve on a board?

The following questions have been adapted from *The Commitment of Trusteeship*, an essay written by governance expert and retired college president John W. Nason for AGB in 1990. His wisdom endures.

1. Do you have an interest in higher education and a genuine concern for this college or university?

Higher education is beset with a myriad of unanswered and complex questions. If they do not interest you, you would be better advised to spend your energy on other activities. The number of good causes is nearly infinite. The time and energy of any single individual is finite. Put your efforts where your heart is.

2. Are you prepared to commit the necessary time and energy?

Trustees are expected to attend board meetings, serve on committees, and occasionally represent their institutions at public functions. These activities take time. Further, trustees must take on work between meetings—reading background material, committee reports, and higher education publications; consulting with their board colleagues and the chief executive; and completing work as a result of their committee assignments. While the work load is not burdensome, it does take time and effort.

3. Have you any conflicts of interest?

Trusteeship today is more vulnerable to potential conflicts of interest than in the past. Boards have ways of addressing and resolving conflicts of interest—chiefly by recording them in advance and by individual trustees excusing themselves from decisions that may present potential conflicts of interest. Where a conflict may exist, it might lend itself to misinterpretation. Prospective trustees must calculate all risks.

4. Are you prepared financially to support the institution, and are you prepared to ask others to give money?

This is a double-barreled question: Trustees must be prepared to carry out both tasks effectively. The board must provide the leadership in fund-raising: Trustees should give according to their financial means. Capital campaigns especially must begin with the generous donations of board members.

5. Are you prepared to be a public advocate for the institution?

Sooner or later, a chief executive will need the public support of his or her board; trustees must be prepared to defend their institutions. Sometimes, trustees must support a controversial or unpopular policy, decision, or action. Institutions must be free to decide what and how to teach, who will do so, whom to admit, what research to conduct, and what values the institution embraces. Trustees must be prepared to use their personal status and goodwill to defend their institution's integrity and reputation.

6. Are you prepared to work within the conventional framework of academic governance?

The academic world differs from the corporate world in several important respects. Most notably, important policy decisions are the result of consultation among the board, the chief executive, and the faculty, among others. This decision-making process can be unsettling to executives who are accustomed to unilateral decision making. Nevertheless, most institutions operate under some rubric of shared governance, and trustees must learn to accommodate decentralized decision making.

Additionally, presidents have less authority than CEOs of businesses. Academic presidents often lead by persuading others to follow, rather than dictating that they do so. Trustees need to recognize the importance of the president's role as mediator and provide sufficient support. Further, boards of trustees remain more actively engaged in the institution than most boards of for-profit enterprises. Trustees must ask questions, challenge recommendations, and explore alternatives.

Finally, trustees must be prepared to accept group decisions, even when they disagree. They should not shy away from voicing their strong convictions and independent judgments, but when the group decision has been made, a good trustee will support it. If not, he or she should be prepared to resign.

7. Do you understand the full range of college or university trusteeship?

In general, three personal qualities identify the successful trustee. First, a trustee should be curious about every aspect of the institution's operations and be willing to ask questions. Second, a trustee must tolerate ambiguity and be able to function effectively in an environment where complex questions preclude simple answers. Third, a trustee must have a sense of humor—that is, a sense of proportion and perspective, and a realistic view of one's own limitations.

It's a great job.

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BOARD BASICS

This publication is part of **Board Basics**, an AGB series devoted to strengthening the effectiveness of governing boards and trustees. Board Basics comprises several topic clusters—The Fundamentals, Financial Matters, Fund-Raising, Academic Affairs, Leadership, Strategic Decision Making, and Effective Committees—each of which contains several booklets. Several assumptions underlie the series:

- Academic trusteeship grows increasingly ambiguous, and trustees need concise, accessible, and focused information to help them carry out their complex fiduciary and stewardship responsibilities.
- Basic principles of trusteeship remain constant across higher education regardless of institutional type, size, and mission. The series highlights these general principles to provide trustees with a core of knowledge they can apply to their individual institutions.
- The series addresses the distinguishing characteristics of academic trusteeship, especially as it differs in scope, substance, and focus from corporate directorships and other board service.

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